

## **LOAN CALCULATOR**

[0001] This application claims the benefit of Provisional Application Serial No. 60/513,129 filed on October 21, 2003.

## **BACKGROUND OF THE INVENTION**

[0002] This invention relates to the field of computer devices and methods, and particularly to the calculation of loan data. The invention especially relates to hand-held computers and calculators.

[0003] Loan calculators used in spreadsheets and on internet web sites are well known. However, in spite of the prevalence of such loan calculator functionality in computers in general and through the internet web sites, there are many consumers who do not have the ability to use or operate such computers due to their complexity and the level of computer skills required, as well as the inconvenience of having to carry a computer, even a laptop, around.

Furthermore, when a consumer is buying a car or home appliance, he or she does not usually carry a laptop computer or have access to a desktop computer, and so it is an object of this invention to provide a much simpler, more convenient, and easier to carry device which is dedicated to one function, i.e., loan calculation on the spot.

[0004] There is a need for a much simpler loan calculation method and device wherein any user, no matter how low of a level of computer skills he or she has, can provide some loan information and receive the remaining information.

## **SUMMARY OF THE INVENTION**

[0005] This need and others which will become apparent from the following disclosure are achieved by the present invention which comprises in one aspect a hand held calculator dedicated to calculating periodic payments on a loan comprising

- a. means for selecting a type of loan;
- b. means for selecting a cost of the item being purchased;
- c. means for selecting any down payment amount;
- d. means for selecting an interest rate;
- e. loan period or number of periodic payments;
- f. means for calculating and displaying or announcing by voice simulation the periodic payment based on the selected information.

[0006] Another aspect of the invention is a method of calculating loan factors comprising generating a series of questions, displaying the questions on a user device, receiving answers to the questions from a user, and calculating a loan factor based on the answers to the questions from the user.

[0007] The type of loan is preferably selectable by the user by responding to very simple questions, either on a display, a personal data assistant, or cell phone display, or voice simulated questions. The type of loan can be a home loan, auto loan or lease, equipment loan such as a television or other home appliance, for example. The loan period is usually requested, for example the device may ask whether the period is in months or years and how many months or years. The interest rate is usually requested by the device, for example in units of percentage. Upon receipt from the user of the amount of the loan, the period and type of loan, and the interest rate, the device uses simple, well

established algorithms to calculate and return to the user the remaining information, such as the monthly payment.

[0008] The method of the invention can be implemented on any hand-held sized device such as a calculator, a personal data assistant, an enhanced cell phone, and the like. The device can reside on the user device or it can reside on a web server.

### **BRIEF DESCRIPTION OF THE DRAWINGS**

[0009] FIG. 1 is illustrates flow chart of an embodiment of the invention including a question and answer routine to be displayed on the handheld calculator screen.

### **DETAILED DESCRIPTION OF THE INVENTION AND THE PREFERRED EMBODIMENTS**

[00010] Referring first to Fig. 1, a flow chart illustrating an embodiment of the method of the invention is shown. Only the questions displayed by or voice simulated by the device are illustrated in Fig. 1. The answers are user options and are not shown in the drawing, but should be readily apparent. A screen is displayed **11** which comprises a first question, "what is the type of loan, 1=auto, 2=real estate, 3=loan, 4=credit card payment." The user may respond with an answer such as "car loan." The device then displays **13** a second question, "how much is the loan for." The user may answer \$20,500 and then press ENTER." The device then asks **15** whether there is a down payment. The user may answer "no" and then press ENTER. The device may then asks **17** "what is the interest rate?" The user may then answer "5%" and then press ENTER. The device **19** then asks the period of the loan in months. The user may then answer

“36 months” and then press ENTER. The device then calculates and displays **21** the monthly payment.

[00011] Other features adapted to car loans in particular may be employed, for example asking “is there a trade in or down payment,” and the like.

[00012] While the invention has been described and enabled in detail herein, various modifications, alterations, and alternative embodiments should become readily apparent to those skilled in this art without departing from the spirit and scope of the invention.